
SENATE BILL 5040

State of Washington 59th Legislature 2005 Regular Session

By Senators Shin, Hewitt, Mulliken and Sheldon; by request of Department of Community, Trade, and Economic Development

Read first time 01/11/2005. Referred to Committee on International Trade & Economic Development.

1 AN ACT Relating to providing additional funding for the community
2 economic revitalization board's programs; amending RCW 43.160.060;
3 adding a new section to chapter 43.176 RCW; and making an
4 appropriation.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** The sum of two million two hundred fifty
7 thousand dollars is appropriated from the general fund-state for the
8 fiscal year ending June 30, 2006, and the sum of two million two
9 hundred fifty thousand dollars is appropriated from the general fund-
10 state for the fiscal year ending June 30, 2007, to the department of
11 community, trade, and economic development solely for deposit in the
12 public facility construction loan revolving account for the purposes of
13 chapter 43.160 RCW.

14 **Sec. 2.** RCW 43.160.060 and 2004 c 252 s 3 are each amended to read
15 as follows:

16 The board is authorized to make direct loans to political
17 subdivisions of the state and to federally recognized Indian tribes for
18 the purposes of assisting the political subdivisions and federally

1 recognized Indian tribes in financing the cost of public facilities,
2 including development of land and improvements for public facilities,
3 project-specific environmental, capital facilities, land use,
4 permitting, feasibility, and marketing studies and plans; project
5 design, site planning, and analysis; project debt and revenue impact
6 analysis; as well as the construction, rehabilitation, alteration,
7 expansion, or improvement of the facilities. A grant may also be
8 authorized for purposes designated in this chapter, but only when, and
9 to the extent that, a loan is not reasonably possible, given the
10 limited resources of the political subdivision or the federally
11 recognized Indian tribe and the finding by the board that financial
12 circumstances require grant assistance to enable the project to move
13 forward. However, at least ten percent of all financial assistance
14 provided by the board in any biennium shall consist of grants to
15 political subdivisions and federally recognized Indian tribes.

16 Application for funds shall be made in the form and manner as the
17 board may prescribe. In making grants or loans the board shall conform
18 to the following requirements:

19 (1) The board shall not provide financial assistance:

20 (a) For a project the primary purpose of which is to facilitate or
21 promote a retail shopping development or expansion.

22 (b) For any project that evidence exists would result in a
23 development or expansion that would displace existing jobs in any other
24 community in the state.

25 (c) For the acquisition of real property, including buildings and
26 other fixtures which are a part of real property.

27 (d) For a project the primary purpose of which is to facilitate or
28 promote gambling.

29 (2) The board shall only provide financial assistance:

30 (a) For those projects which would result in specific private
31 developments or expansions (i) in manufacturing, production, food
32 processing, assembly, warehousing, advanced technology, research and
33 development, and industrial distribution; (ii) for processing
34 recyclable materials or for facilities that support recycling,
35 including processes not currently provided in the state, including but
36 not limited to, de-inking facilities, mixed waste paper, plastics, yard
37 waste, and problem-waste processing; (iii) for manufacturing facilities
38 that rely significantly on recyclable materials, including but not

1 limited to waste tires and mixed waste paper; (iv) which support the
2 relocation of businesses from nondistressed urban areas to rural
3 counties or rural natural resources impact areas; or (v) which
4 substantially support the trading of goods or services outside of the
5 state's borders.

6 (b) For projects that help retain Washington's military-related
7 private sector businesses.

8 (c) For projects which it finds will improve the opportunities for
9 the successful maintenance, establishment, or expansion of industrial
10 or commercial plants or will otherwise assist in the creation or
11 retention of long-term economic opportunities.

12 ((+e)) (d) When the application includes convincing evidence that
13 a specific private development or expansion is ready to occur and will
14 occur only if the public facility improvement is made.

15 (3) The board shall prioritize each proposed project according to:

16 (a) The relative benefits provided to the community by the jobs the
17 project would create, not just the total number of jobs it would create
18 after the project is completed and according to the unemployment rate
19 in the area in which the jobs would be located; and

20 (b) The rate of return of the state's investment, that includes the
21 expected increase in state and local tax revenues associated with the
22 project.

23 (4) A responsible official of the political subdivision or the
24 federally recognized Indian tribe shall be present during board
25 deliberations and provide information that the board requests.

26 Before any financial assistance application is approved, the
27 political subdivision or the federally recognized Indian tribe seeking
28 the assistance must demonstrate to the community economic
29 revitalization board that no other timely source of funding is
30 available to it at costs reasonably similar to financing available from
31 the community economic revitalization board.

32 NEW SECTION. Sec. 3. A new section is added to chapter 43.176 RCW
33 to read as follows:

34 The department of community, trade, and economic development may
35 enter into an agreement with the community economic revitalization
36 board to implement the small business incubator program under RCW

1 43.176.030 and to serve as the department's designee in making
2 expenditures from the small business incubator account under RCW
3 43.176.040.

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